

HOME BUILDERS ASSOCIATION OF CONNECTICUT, INC.

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Your Home
Is Our
Business

December 13, 2010

To: Bill McCue

Howard Rifkin

From: Bill Ethier, CAE

Chief Executive Officer

Re: Housing Policy Initiatives

Thank you very much for this opportunity to comment on Governor-Elect Malloy's housing policy initiatives. We are very encouraged by the new Governor's policy outreach to various stakeholders and are pleased to offer our comments.

We estimate our members build 70% to 80% of all new housing units across the state each year. Our industry not only produces homes employees need ("homes are where jobs go at night") but also produces many jobs itself and tax revenues for state and local governments. Homes pay for themselves and our industry can be a key driver, not just an indicator, of economic growth.

Our industry faces a multitude of regulatory burdens and hurdles in producing the housing CT's citizens need, so it is not just one or two priorities that stand in the way. It's the layers and totality of approvals, any one of which can kill a new home. We need regulatory relief in order to produce more housing that is affordable to more people and that serves all housing markets, from low income to corporate CEOs. Our regulatory burdens to build a home can be broken down into two major categories: those permits and approvals needed from state government and those permits and approvals needed from local government, all of which are controlled, albeit loosely in many cases, by state statute.

In order to significantly reform regulatory hurdles, to create more certainty for businesses to invest their capital and for consumers to pull their purchasing trigger here in CT, and to generate excitement among both industry and consumers, we hope to see bold initiatives from Governor Malloy's administration regarding regulatory reform. **Attached** is a recent commentary "Moratorium on New Regulations is NOT Enough" that outlines a policy litmus test, our January 2010 memo to the Regulations Review Committee that expands on the regulatory relief theme, and a paper "Development and Construction in Connecticut: Many Steps, Many Stops (Nov. 2008)" that lists 50+ potential permitting steps we must consider to build a home. We stand ready to work with you to address many of these specific issues. Thank you again.

The HBA of Connecticut represents the for-profit residential development and construction industry. Our 1,100 member firms are residential land developers, new home construction builders, residential remodelers, trade contractors, vendors and suppliers, and professionals serving our industry, such as engineers, lawyers and real estate brokers.